

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 2000-109

April 13, 2000

CENTRAL MAINE POWER COMPANY  
Request for Approval of Affiliated  
Interest Transaction (Extension of  
Agreement with Union Water Power  
Company for Energy Management  
Services)

ORDER APPROVING  
STIPULATION

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

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**I. SUMMARY**

We approve a stipulation between the Public Advocate (OPA) and Central Maine Power Company (CMP) that will allow CMP to continue to operate under an Areawide Contract with the Federal government.

**II. BACKGROUND**

In 1998, CMP filed a petition seeking a waiver of Chapter 820 and approval of an arrangement between CMP and its affiliate Union Water Power Company (UWP). CMP sought permission to continue its contract with the Federal government for energy management services. Under the arrangement, CMP enters into the contract but all services, and costs and profits, are incurred by Union Water-Power Company (UWP). Federal law requires such contracts to be with a utility. In September 1998, the Commission approved a stipulation between the OPA and CMP that allowed the waiver arrangement proposed by CMP until February 29, 2000. Docket No. 98-381, *Central Maine Power Company, Request for Approval of Affiliated Interest Transaction for Arrangement with MainePower (Amended to Union Water-Power Company) for Performance of Energy Management Services Pursuant to an Areawide Public Utilities Contract with the USGSA and Petition for Waiver of Chapter* (Sept 3, 1998).

On February 4, 2000, CMP filed a petition in this docket requesting that the Commission extend the current arrangement through the remaining term of the Areawide Contract, which expires on September 30, 2006. On February 23, 2000, the Hearing Examiner held a conference attended by OPA and CMP. Following the conference, OPA and CMP filed a new stipulation on March 29, 2000 (attached to this Order).

Under the Stipulation, the waivers approved in the 1998 stipulation will continue through September 30, 2006. In addition, UWP will pay CMP an amount equal to 5% of UWP's projected net profits related to the services to be provided under the Areawide Contract.

### III. DECISION

We agree that extending our approval of this arrangement is in the public interest and therefore approve it pursuant to 35-A M.R.S.A. § 707(3). As in 1998, the profits associated with these projects are small and UWP reimburses CMP for any costs CMP incurs, as required by Chapter 820. We grant our approval with the requirement that should the Federal law change and no longer require the contract to be with a utility, CMP will notify the Commission within 30 days of the effective date of that change so we can consider whether continuation of this arrangement is in the public interest.

Accordingly we,

1. approve the Stipulation filed by the Public Advocate and Central Maine Power Company on March 29, 2000, as described in the body of this Order; and
2. direct the Administrative Director to close this Docket.

Dated at Augusta, Maine, this 13th day of April, 2000.

BY ORDER OF THE COMMISSION

Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR: Welch  
Nugent  
Diamond

**NOTICE OF RIGHTS TO REVIEW OR APPEAL**

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320 (1)-(4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320 (5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.